

6 PER CENT MORTGAGE BONDS BEST SECURITY

Price of Money Lays Definite Obstruction in Way of Building—Wheeler.

PUBLIC BELIEVES IN REALTY

Citizens Will Return to Real Estate as Investment—Only Led Astray by Higher Returns, Says Ex-President U. S. Chamber.

Address delivered by Harry B. Wheeler, vice-president of Union Trust Company of Chicago, and before the United States Chamber of Commerce, before Chicago Building Conference.

Building operations cannot go on with the capital that men have at their disposal. This has never been true in this country. Few buildings are constructed without the aid of outside capital. It is well known that no building can be constructed without that aid. Supposedly in the past men could borrow money at a rate that would make it possible for them to realize upon the earning power of the new structure that they were building would make it possible to increase the net worth of the investment to that project by having an earning power that could be greater than the interest rate that they had to pay and accumulate funds enough to go so far with our building project and then gather from public sources and from other sources some additional to loan funds for the remainder of the project.

I am convinced that in the price of money lies a definite and powerful obstruction to the active resumption of building operations, and that you may find as you study the price of money in the supply of money and in the supply of money that may be made available for building operations lies the one great fundamental from which a new start may be taken.

"Followed? Did Not Stand?"

Men have for building purposes followed the same rule that did not lead that rate. And money rates for building purposes will follow the same rule down and will not lead that rate. It is to be remembered as a leading criterion for the money rates today, we have need to look only to the cost of labor and to measure the price of labor in making a new start in the matter of building construction by the price of labor alone.

If you can reduce the cost of labor, your goods will below the price that you are selling them today, and if you can do this, then your labor will not come down, and in view of these other fundamental considerations which enter into the building operation, the cost of labor and your money is going to be stationary.

If your labor is going to be stationary, then you have to make plans to make up for the lack of more reductions to be had and the like, as well to begin today as tomorrow or next year to go on with building operations, and to make up the loss to the builder through the fact that values will remain at their present level.

On the other hand, there is an obligation that these large supplies for construction materials and for transportation and a more or less constant and lower price for money and lower prices will then suffice to hold the key that will unlock that door which will be held open for us to go on with building operations, and to make up the loss to the builder through the fact that values will remain at their present level.

Money Prices Unusual.

There has only one unusual fact that I know of that can be so around and that is caused by the money price.

Now what makes money makes more money. When rates are high and investments are offered of such a high character, money that would ordinarily prefer to go into other channels. Where there is a demand for 12 or 12 1/2 per cent for the first time, the public will put the money for construction in railroad equipment notes, in railroad bonds, in bank bonds or notes or any of the forms of money that are offered today, both domestic and foreign, when that condition exists you take out your funds which would otherwise be available, and hundreds of millions of dollars and put it into fixed investments that are safe, and for the return of the money to the public, the generation in which you are interested.

Cheaper money, therefore, will mean a larger supply of money and that larger supply of money is a fundamental necessity to the restoration of building conditions in this country. Now what will money rates do? Well, there are many reasons. There is one that is in Federal control. During the period of war, during the time that we were selling our voluntary and our Victory loan, we preserved a low rate for money. It was a necessity to that great volume of securities spread over the country and with the help of the banks and with the help of the Federal Reserve System, we could get a 5 1/2 per cent. Time financing, whether it is in the field of construction operations or of industrial development was on a comparative scale. After the armistice, the rate remained at the same level for a period of twelve months.

History of Rates.

The second reason rates, the Federal Reserve Board during the war and well 1 1/2 per cent upon war obligations to 3 1/4 per cent on commercial paper, went down during the period of an armistice, and were the same for a period of twelve months.

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Floyd Avenue.

Two-apartment residence, 12 rooms, all conveniences, separate heating plants. A bargain to a quick purchaser.

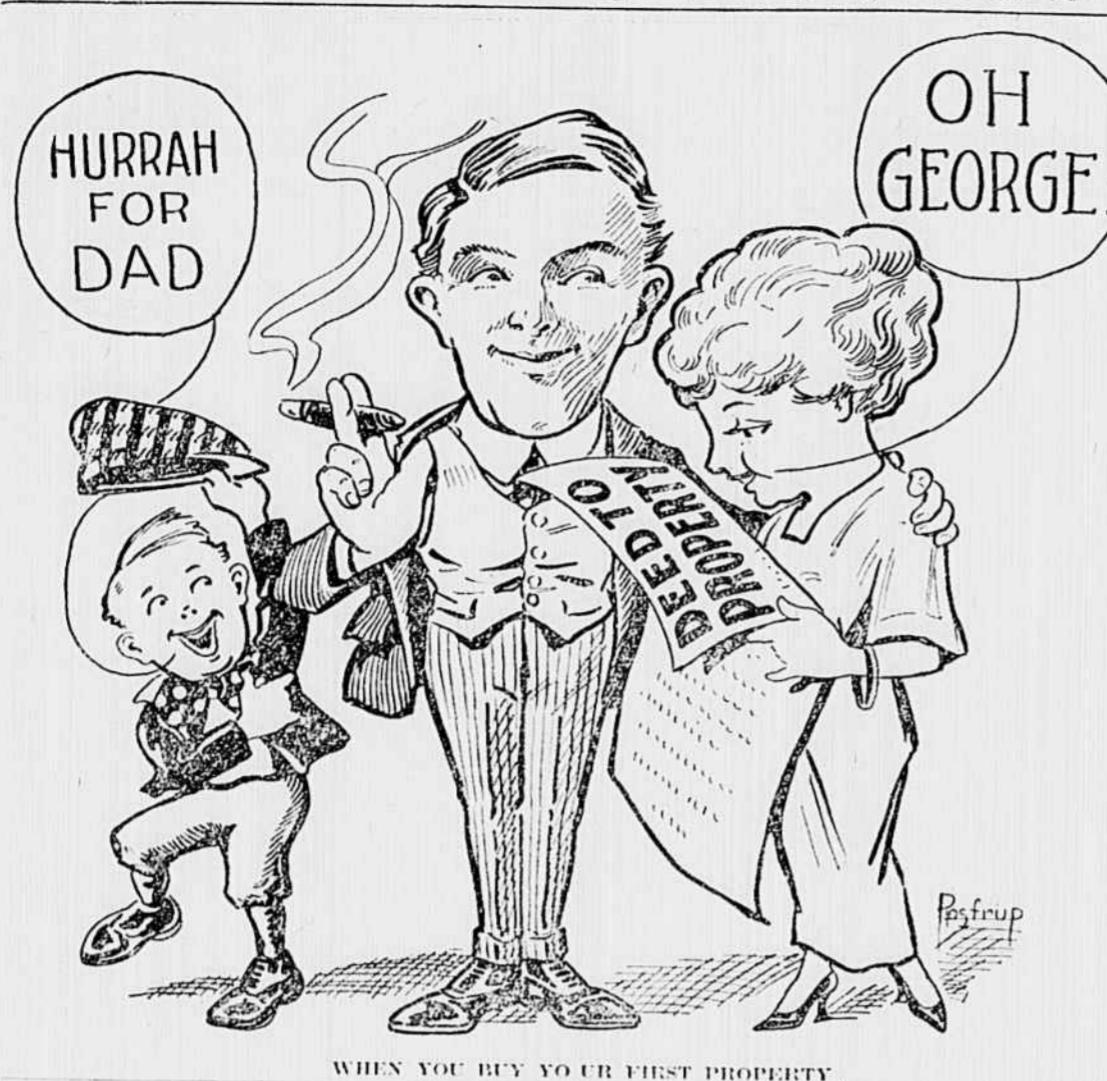
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162 acres, 7-room dwelling, about 12 miles north of Richmond, near Washington Highway. The land is very productive, lays well, and will make an ideal truck farm. A pretty home at a bargain price.

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WHEN YOU BUY YOUR FIRST PROPERTY.

get them above 5 1/2 per cent. And it will not be that cotton is selling at a price lower than the cost of production. It will not be that sugar is selling at a price lower than the open market price. These conditions do not induce the public to believe that stability of values has been reached, either in the market or in the community. They do not indicate that the market value of these securities will rise as the influence of the open market rate of interest does. In other words, the rediscountrate is anchored below the current bank rate and the time-lend rate to a different extent, and is probably 1 1/2 per cent lower than the current rate.

The Federal reserve law was passed until the administration was signed the terms of payment and the like, the customers' rates in the banks never were widely apart. The customer's rate invariably was a little higher than the bank rate, and a dearth of buying as we go farther on into this period of adjustment.

But if this one universal thing, the price of money that every man, woman and child is interested in though

they do not borrow money, but where they are required to pay the tax in whatever they buy arising from the cost of financing and in consequence are very interested in what money is worth and what money is bringing in the market, it is this Federal agency that has the power to readjust its conditions and its rates to all other rates to indicate a new stability and bring down again the level of investment return to a point that would indicate that the market value would begin to pay in all probability.

Stability has arrived, for here is a great governmental agency capable of changing the conditions in this country and throughout the world, saving to us now, while we advance our rediscountrate 21 to 22 per cent in order to curb unprofitable



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of your own selection, in Richmond or any of its suburbs, or will purchase a lot and build the house for you, allowing you to pay for same with a reasonable cash payment and the balance in monthly installments like rent.

My plan applies alike to property for both white and colored people, buy, sell and deal in real estate of all kinds.

For further particulars of my plan, or descriptions of the various properties I have for sale in Richmond and its suburbs, see or address me as follows:

M. DAVIDSON

522 East Main Street, Room 11.

Phone Madison 2843-W.

Will Sell or Exchange

Attractive Monument Avenue apartment. All rented. 14% investment. Monument Avenue or Boulevard lots preferred in event of exchange.

WANTED

Ten Six-Room Brick

Houses in West End

Ranging in price from \$5,000 to \$10,000. If you have property of this description list with us for quick sale.

FOR SALE

724 Miller Avenue, Barton Heights, 8 rooms, located on corner, large lot and store room. No. 815 Washington Street. Price for the entire property, \$7,500.

WEST END.

On good avenue, east of the Boulevard. 8 rooms, modern house. Possession can be arranged, \$8,750.

STUART AVE. CORNER.

Lor 33125, 9 rooms, sleeping porch, modern in every respect, garage, front and rear.

Paved cross-street near Monument Avenue. 9 rooms, hot-water heat, modern in every respect.

W. FRANKLIN ST. LOT.

One of the best locations in Richmond.

LARUMN COURT.

Community home, modern in every particular, \$12,000.

McCurdy Avenue, Barton Heights, 7 rooms, modern, \$8,750.

Barton Avenue, 11 rooms, modern; large lot, etc., \$12,000.

Bacon Road, modern residence, 8 rooms, \$10,000.

Graham Court, modern, 8 rooms, 2 garages, \$9,750.

WEST END.

Stuart Avenue, 6 rooms, \$7,000.

HIGHLAND PARK.

Fourth Avenue, 8 rooms, hot-water heat, lot 60x140, \$2,500.

Modern brick, 8 rooms, tile roof, \$8,000.

Investment

Four brick flats located on corner, West End, 5 rooms and bath each. Hot-water heat.

For sale or will exchange for small home in West End or suburbs or vacant ground. Leased for \$2,160 per annum. Will sell at sacrifice.

We Have Purchasers

for Monument Avenue and Franklin Street houses, 8 to 12 rooms desired. Must contain modern improvements.

RAAB & CO., Inc.

210 Mutual Building.

DAVIS BROTHERS ACTIVE IN BUILDING UP RICHMOND

Constructing Two Handsome Apartments, Number of Residences, Garages and Stores.

Among the recent developments

worthy of notice are those being carried on by the Davis Brothers, Inc. This firm for many years past has built houses in all sections of Richmond, and have done a business amounting to millions of dollars up to the highest standard that it now enjoys. In the last few years this firm has also developed some very valuable companies and enterprises. The new building at Twelfth and Bank Streets is owned and built by this firm. The new building at 1500 block West Main Street was built by this firm. The large automobile showroom, garage and service station at 2100 block Colonial Avenue was built by Davis.

At the present time this firm is

constructing two very handsome apartments on the Boulevard between Highland Park Street and the corner of small houses in Highland Park Extension, a number of six and seven-room houses in the West End. In other words, they are creating resources for the building up and adding to of the present physical development of the city, particularly the Negro section.

They deserve the admiration of all the citizens of Richmond for such developments which do much to add to the beauty, permanence and prosperity of this city. In regard to this firm, Morton G. Thalheimer said yesterday:

"I hope that Richmond

will develop more of such firms, and that the people of Richmond will exert their willingness to do their part in the growth and prosperity of our community. If they do there need be no fear as to a shortage of houses, or no fear as to a heavy and prosperous growth of the city."

"It is well to remember that as a city grows in population and financial strength, so also does it grow in the

enhancement of its real estate values, so that in helping Richmond to grow you are also helping to enhance the value and possibilities of its real estate. And the development of its real estate you are helping in the property and development of its manufacturing, jobbing and retail interests, which are all making up the financial strength of this city."

"It, therefore, can be seen that as a community, every business and every individual is closely related to every other one that the common good of all, in a large degree, depends on the personal efforts of each individual."

Ovland Employees to Return.

TOLEDO, OHIO, March 29.—Between 1,000 and 1,500 employees will return to work here Monday, Vice-president Charles B. Wilson announced today. The plant closed down November 1, 1920.

What Is There Now to Make Her More Happy Than a Home or a Start Toward a Home of Her Own?



Houses and lots in every part of the city on the easiest of terms at bargain prices.

A special section of lots in the West End, the highest class residential section of the city, high elevation, pre-war prices, and easy terms. Good for either an investment or home. Address

M. J. LIBERMAN

Phone Madison 5080.

302 Mutual Building.

SPRING TIME

Spring is the time when you want to get away from the crowded, cooped-up method of living; out where the birds are singing gayly as they make their plans for building their nests; out where the air is fresh and wholesome; out in a spot where you are proud to have your home.

We have some very attractive homes for sale, both in the city and suburbs, on our large list at prices and on terms that will certainly interest you. Don't wait until they are picked over, call us today.

ALLAN-SAVILLE & SNEAD INC.

501-2-3 VARIOUS POWER BLDG.—PHONES RAN. 3326-3327

"Value Plus Courteous Service"

The Soundest Investments

for the young person, ambitious to establish himself in a community, is a home and a Savings Account. The happiness and prosperity of each go hand-in-hand.

Every dollar you put in either means more happiness for you and a better citizen for the community. We want to grow by helping others to grow, and therefore solicit your friendship.

Interest on Savings and Dormant Accounts.

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Capital and Surplus, \$1,200,000.

John Skelton Williams, Chairman of the Board
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Dense Maury, Trust Officer

Colonial Home For Sale —IN THE— Beautiful Westhampton Section



GARAGE AND SERVANTS' ROOMS.

There is a garage just to the side of the house ample to accommodate two cars. Over the garage are two servants' rooms and bath. The garage and servants' rooms are heated from the main heating plant in the basement of the dwelling.

This Beautiful Colonial Home, situated in the most desirable Westhampton section, is offered for sale to close an estate. It was completed in 1918, and is built of the finest selected materials.

Beautiful natural and planted shrubbery surround the house, which is erected on one acre of ground. More land may be purchased if desired.

FIRST FLOOR.

The first floor of the house contains a reception hall, living-room, dining-room, sun-room, den, kitchen and butler's pantry. All the floors are beautifully polished oak. There is also a lavatory on the first floor.

SECOND FLOOR.